



# 18<sup>th</sup> DHAKA INTERNATIONAL TRADE FAIR -2013

Date : 1-31 January 2013, Venue: Sher-e-Banglanagar, Dhaka



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**Message**

**PRESIDENT**  
PEOPLE'S REPUBLIC  
OF BANGLADESH  
DHAKA

18 Poush 1419  
01 January 2013

I am pleased to learn that the 18<sup>th</sup> Dhaka International Trade Fair-2013 is going to be held under the auspices of Ministry of Commerce & Export Promotion Bureau.

International Trade Fair is being organized in Dhaka since 1995 with a view to boost our business. Entrepreneurs and Businessmen from home and abroad get an opportunity to justify the price and quality of products in the trade fair decorated with local & foreign products. I think trade fair plays a pivotal role in making local products familiar and developed. Besides, the trade fair assists to strengthen the bond of friendship among the participating countries. I hope this initiative would play effective role in increasing export and developing international relation.

I wish the Dhaka International Trade Fair-2013 a great success.

Khoda Hafez, May Bangladesh Live Forever.

**Md. Zillur Rahman**

**Message**

**Minister**  
Ministry of Commerce  
Government of The People's  
Republic of Bangladesh, Dhaka

I am delighted that the month-long Dhaka International Trade Fair (DITF)-2013 is being organized jointly by the Export Promotion Bureau and the Ministry of Commerce.

Dhaka International Trade Fair (DITF) has been established as an effective instrument for displaying both local and foreign products. Participants from various companies of developed and developing nations in this fair have been given opportunities to compare their competitiveness in the areas of quality and price.

In the era of globalization and liberalization of trade, developed, developing and LDCs (Least Developed Countries) have gathered under the umbrella of World Trade Organization to create an unrestricted and barrier-free global trading climate. I believe, DITF-2013 would play a vital role as a crucial component for ensuring free movement of goods where general consumers will be benefited. Bangladesh has so far achieved a lot but needs more miles to go. That is why, the Government has taken export-led growth development strategy identifying private sector as the key-player to expand investment and export. I expect cooperation from all to implement the strategy taken by the Government.

DITF-2013 equipped with required trade expansion elements, could help supplement the entrepreneurs to improve the quality and diversify their products. It would help to increase competitiveness of our products in terms of cost, quality, design, packaging etc. in the highly competitive global market. DITF-2013 will open up a new horizon for marketing non-traditional items and promoting new markets with diversified export-basket.

I sincerely thank the participants and visitors from home and abroad and wish DITF-2013 a resounding success.

**(Ghulam Muhammed Quader) M.P**

**Message**

**Secretary**  
Ministry of Commerce  
Government of the People's  
Republic of Bangladesh  
Bangladesh Secretariat  
Dhaka-1000.

Dhaka International Trade Fair (DITF) is going to be organized by Ministry of Commerce and Export Promotion Bureau for the 18th time during 01-31 January, 2013.

Amidst contraction in major export destinations due to longstanding global economic recession and recent euro-zone crisis, world exports now confront a period of intense competition. In this tough time, the government has been pursuing very attractive industrial, investment and trade policies in order to maintain the current pace of the country's export growth. As a consequence, while global trade is passing a critical juncture, Bangladesh has been able to exhibit sustained growth in its export sector.

This International Trade Fair is arranged to maintain the current exports growth as well as to create scope for proper marketing of our exportable goods. This fair will make important contribution in allowing entrepreneurs to exhibit their products and to look for potential foreign buyers and markets. While the local manufacturers can avail such good opportunity to showcase their products' quality, design, packaging, cost etc., industrial entrepreneurs and business people can also enhance their business and trade opportunities as well as establish mutual contracts through participation in the International Trade Fair.

I believe that DITF-2013 will create an opportunity for efficient marketing of local products, for attracting a greater volume of foreign investment, and for establishing new joint venture enterprises in the country.

I wish a grand success of DITF 2013.

**Mahbub Ahmed**

**Message**

**President**  
The Federation of Bangladesh  
Chambers of Commerce  
and Industry (FBCCI)

It gives me immense pleasure to learn that Dhaka International Trade Fair is going to be organized for its consecutive 18 years during 01-31 January, 2013. The 18th Dhaka International Trade Fair (DITF)-2013 is being organized by the Export Promotion Bureau under the auspices of the Ministry of Commerce, Government of Bangladesh.

The aim of organizing such fair is to create favorable condition for local and foreign producers and businessmen to search business opportunities, partners and markets for expansion export trade, develop production, export and import activities etc. Side by side, they can have to opportunity to showcase new products and services in the fair.

I do believe that through this fair both local & international producers and buyers would definitely be able to have the unique opportunity to exchange appropriate information among each other about the quality of products for diversification which will lead to play an important role in promoting export and import from each other.

On behalf of the FBCCI, I would like to congratulate the Export Promotion Bureau and Ministry of Commerce for organizing this month-long mega event 'DITF-2013' for enhancing trade and business. I also thank to the Participants and visitors as well.

I wish the DITF-2013 a grand success.

**Kazi Akram Uddin Ahmed**

**Influence and Necessity of Product and Market Diversification as a means of Export Growth of Bangladesh**

**Shubhashish Bose**  
Vice Chairman  
Export Promotion Bureau

Diversification is the most important element in achieving export growth. It is as good as portfolio management in shares and securities. It reduces vulnerability in the export scenario of Bangladesh.

After independence in 1971, the economy of Bangladesh totally fell into decay by the devastation of war. Bangladesh started its export with 25 products only in its Export Basket destined to 68 countries fetching 348 million US\$.

Public sector-led import substituting industrial policy was inherited by new born Bangladesh in 1971. After that, the policy was shifted and characterized by private sector promotion geared to export development. It has come to be because of the initiatives of changing institutional policy such as reduction of the number of sector reserved for public investment, relaxation of rules and procedures for foreign investment, privatization of state-owned enterprises etc. Meanwhile, some important reforms under structural adjustment program have been brought about for making the export sector more competitive. Of them, trade liberalization and tariff rationalization, atomization of capital market, market-oriented exchange rate management, financial sector reforms and specific export support measures including duty free access to imported inputs, export subsidy, preferential financing of export, corporate tax rebates and other fiscal incentives were important. In addition, some comparative advantages like cheap and easily trainable labor, presence of improved governance in export management, presence of adventurous entrepreneurs, zero-tariff access to many prominent importing countries of the world etc. have increased the capabilities of Bangladesh exportables to be competitive in all respects and ensure speedy growth of export sector of Bangladesh.

Both the efforts and competitive advantages have established export sector as one of the best destination of cost effective supply source of the world for global buyers and have reflected a good result to the economic development of Bangladesh. Some of these are -

- Within a span of four decades the export earning had increased to US\$ 24.30 billion from the export earning of US\$ 348 Million of 1972-1973 and our next target is to achieve US\$ 50 billion by second decade of the twenty-first century;
- Number of exporting commodities have extended to 705 in 2011-2012 from 25 commodities of 1972-1973;
- Export destinations of Bangladesh have increased to 192 in 2011-2012 from 68 countries of the world in 1972-1973;
- The export sector of Bangladesh has become able to register a compound growth rate of 12.19% annually which makes us capable to claim that this is one of the highest growth rate in export sector for any country of the world;
- According to WTO Bangladesh is the 70th exporter in the world and was considered 77th trading nation in 2010;
- Contribution of export sector to GDP has increased to 20.07% in 2010-2011 from 5.45% in 1990-1991.
- Covering import payment by export earning has increased to 70% from 35% in 1983;
- Expansion of export earning has created job opportunity for the unemployed;
- Savings of export earning has reflected a number of positive impacts which include increased economic activities in the areas of exports, investment, purchasing power, banking, insurance, hotels and tourism, real estate, recycling, utility services, transportation etc.

The influence of competitive advantages reflects the dynamism and growth of Bangladesh export sector. Strenuous attempt to boost up export of Bangladesh has generated a good deal of interest and enthusiasm among the business communities of the world. Aggregate of these has made us able to cross the stages of export earning US\$1.00 billion in 1986-1987, US\$10.00 billion in 2005-2006 and US\$20.00 billion in 2010-2011. Bangladesh is capable enough to meet the demand up to middle-end market and is now in the process of meeting demand of high-end market.

Despite remarkable growth of export sector of Bangladesh, very few commodities and limited destinations are occupying major shares which are the most noticeable weaknesses of export sector of this country. Contribution of apparel, jute, frozen fish, leather and home textile sector was 90.52% of the total country's export in the year 2011-2012. The major destination of our exportables are the USA, EU countries, Canada, Turkey and India. The contribution of these five export destinations of Bangladesh was 81.87% in the same year which is not at all desirable and could not be able to keep pace with the competitors of the globe. This vulnerability may sometimes cause economic problem of Bangladesh. After the independence of Bangladesh, jute was the most important product among the exportables during the first decade. Jute had lost her glory due to sharp competition with synthetic fiber and also because of emergence of garment sector. Changing pattern of export sector of Bangladesh is shown below:

Commodity & Country	1972-1973		2011-2012	
	Export	Share	Export	Share
<b>Commodity</b>				
Apparel	0.00	0.00%	19089.73	78.55%
Jute & Jute goods	313.10	89.86%	973.61	4.01%
Frozen fish	3.06	0.88%	598.42	2.46%
Leather & leather goods	16.20	4.65%	429.52	1.77%
Home textile	0.00	0.00%	906.07	3.73%
Sub total	332.36	95.39%	21997.35	90.52%
Other	16.06	4.61%	2304.55	9.48%
Total	348.42	100%	24301.90	100%
<b>Country</b>				
U.S.A	71.39	20.49%	5100.91	21.00%
E.U countries	114.96	32.99%	12740.33	52.46%
Canada	7.03	2.02%	993.67	4.09%
Turkey	0.19	0.05%	551.88	2.27%
India	7.71	2.21%	498.42	2.05%
Sub total	201.28	57.76%	19885.21	81.87%
Other	147.14	42.24%	4416.69	18.13%
Total	348.42	100%	24301.90	100%

Well known proverb "survival for the fittest" is equally applicable in international business due to continuous product migration. Competitive quality and price are the main reasons for this migration among others include low labour cost. Because, price of a product in this globalized world mostly depends on cost of labour. As highly populated country of the world, wages paid to the workers in Bangladesh are the lowest, even by South Asian standards. On the other hand the developed world is facing acute shortage of labour. Most of the developed countries have negative growth of population. Wages in developing countries are increasing gradually which becomes the cause of product migration to the labour surplus country like Bangladesh.

Major weaknesses of export sector of Bangladesh are imported raw materials-based exportables, low-value added products and insufficient product and market diversification. Since the backward linkages of exportables are negligible and the local value addition of import raw materials based exportables has only been small until now, the situation has remained largely unchanged.

The Challenges and opportunities of export sector of Bangladesh demand us take effective initiatives for product and market diversification with a view to continuing growth of export at a compound rate. It may be mentioned that competitiveness encompasses the production cost, capacity for technological innovation, degree of product specialization, infrastructural capability, quality of the product, support in market penetration etc. These are the urgent needs for Bangladesh in the areas of product and market diversification. Different elements of production may influence to increase the production cost. So it would not be wise to be competitive by depending only on labour cost. It may be mentioned that human resources- deficit countries are moving towards introducing technology for reducing labour involvement which may create uncompetitiveness in the export market. The infrastructural facilities including limitation of testing facility and stringent regulation may slow down our competitiveness. So dependence on limited products and markets will narrow down our export potential.

In order to remove the weaknesses of export sector, strategies have been taken to introduce new products in the list of exportables and to enter our products into the new market under product and market diversification activities. Emphasis has been given to enhance export of the products which have minimum contribution in the export sector. At the same time importance has also been given to increase our export in less known destinations.

Labour cost advantage has turned our attention to labour-intensive sector considering as prospective one in maximizing contribution to export sector of Bangladesh. Under product diversification initiative, problems and prospects are being identified with a view to preparing proper planning for export development. Reducing dependency on limited exportables, Export Promotion Bureau is working on promoting export of the following products selected under product and market diversification:

- Ship;
- Printed and Packaging Materials;
- Jute Diversified Product;
- Furniture;
- Cut and Polished Diamond;
- Agro-processed Food;
- Luggage;
- Rubber;
- Papadum;
- Toys

As a part of market diversification, Bangladesh has identified some potential export destinations in order to sustain and accelerate the export growth. Some of these countries are Japan, South Korea, South Africa, Mexico, Argentina, Brazil, Australia, Russia, China etc.

Latin American region remains largely untapped though the economies of those countries are booming rapidly. Asia is the habitat of 60 percent of the world population, the Asian economies like China, India, South Korea etc. have recently extended duty free market access to LDCs including Bangladesh which would help widen our export market in the Asian region. Japan is the third largest economy of the world. The country is a very potential market which is the 12th largest export destination for Bangladesh. Because of the rise in the cost of production in China, Japan has taken strategy as China + One for ensuring supply of goods from very competitive source, where Bangladesh is considering as the most suitable country by the Japanese buyers. As a result, big Japanese business houses like NTT, Docomo, UNIQLO, SEIYO have started doing business with Bangladesh. Russia is also an unexplored market in the world for Bangladesh. Russian total import in 2010 was US\$ 237.3 billion which may be one of the important destinations for exportables of Bangladesh. The export from Bangladesh to Russia is very negligible compared to other competitors. So there is an ample opportunity for Bangladesh in Russian market. South Africa is a member of BRICS economic bloc and G-20. The country has US\$ 1.20 billion clothing market which will be the important destination for Bangladesh apparel sector. China is the 2nd largest economy of the world and a big player in the world business. But it is continuously losing competitiveness and creating space for others owing to her increasing labour cost. As a result, Bangladesh may boost up export from labour intensive sector to China. India recently grants duty free market access for most of the products under SAFTA. As rising economy, India also loses her competitiveness in labour intensive sector which may widen the opportunity to expand our export in India.

Export sector is one of the most important contributors in the economy of Bangladesh. To continue the success of this sector, product and market diversification initiative may be considered as an important element. This initiative would enable Bangladesh to utilize her scope existing in the form of competitiveness which is the basic tool in international marketing. Bangladesh is now endeavouring to achieve this goal slowly. In the interest of economic development, it would be necessary to expedite this initiative jointly by the public and private sector of Bangladesh.

**Message**

**PRIME MINISTER**  
GOVERNMENT OF THE PEOPLE'S  
REPUBLIC OF BANGLADESH

18 Poush 1419  
01 January 2013

I am happy to learn that the 18<sup>th</sup> Dhaka International Trade Fair jointly organized by the Ministry of Commerce and Export Promotion Bureau, is going to be held on 01-31 January, 2013.

This traditional annual trade fair plays a vital role in showcasing our products to the buyers and consumers at home and abroad. There is a great importance of such fair when the world is passing through economic recession. I hope, this fair will play an important role in diversifying our products.

We have created congenial atmosphere for investment and trade. Foreign investors and buyers now find Bangladesh as a very attractive destination. Utmost importance has been given on export sector. Under this circumstance, the fair will infuse great enthusiasm among local producers and foreign buyers.

I wish DITF-2013 a grand success.

Joi Bangla, Joi Bangabandhu  
May Bangladesh Live Forever.

**Sheikh Hasina**

**Message**

**FOREIGN MINISTER**  
GOVERNMENT OF THE  
PEOPLE'S REPUBLIC  
OF BANGLADESH, DHAKA

I am happy to know that the 18<sup>th</sup> Dhaka International Trade Fair (DITF) 2013 organized jointly by the Ministry of Commerce and Export Promotion Bureau will start on 01 January 2013. With an aim of boosting trade and investment, DITF has established itself as an important annual business forum over the years.

Trade and Commerce have been playing a very significant role in the global socio-economic development. Accordingly, nation states are devising and pursuing their foreign policy to maximize the international trade preserving their interests. The present Government under the able leadership of Hon'ble Prime Minister Sheikh Hasina is relentlessly engaging and mobilizing our missions abroad to continue our diplomatic persuasion to face the challenges posed by globalized trade and at the same time in attaining export targets set by the government. I strongly believe that DITF, as a forum would offer a unique opportunity for entrepreneurs to develop enhanced networking, diversification of products, explore new markets to boost up economic growth of the Country.

I extend my felicitations to the organizers of the Dhaka International Trade Fair (DITF) 2013 and participants from home and abroad, and wish its grand success.

Joi Bangla!  
Joi Bangabandhu!

**(Dr. Dipu Moni, MP)**

**Message**

**From the Desk of the Vice-Chairman**  
Export Promotion Bureau

As before the month-long Dhaka International Trade Fair (DITF)-2013 is being organized jointly by the Ministry of Commerce and the Export Promotion Bureau of Bangladesh at the arrival of happy New Year-2013. I would like to extend my greetings of New Year to you all on the occasion of the 18th DITF-2013.

DITF is the largest trade fair in Bangladesh and has already established its name and fame in the world business arena owing to its manifold role in promoting production, trade and investment of participating countries. Actually, it is an effective meeting platform of buyers and sellers. To achieve its optimum goal, the 18th edition of DITF has been organized in a need-based manner. I have full confidence that the DITF-2013 would be able to play a vital role in expanding production bases and markets, creating awareness for achieving competitiveness in terms of cost, quality, design etc. It would also provide us opportunity to consolidate bond of friendship, goodwill and harmony. Based on encouraging responses and enthusiasm found in the previous DITF, I am confident that DITF-2013 has immense possibilities of substantial business deals and diversifying export destinations, increasing supply capacity of high value-added products, transferring technologies and ensuring collaboration for increased trade and investment.

DITF-2013 is the concerted effort of the Ministry of Commerce, Export Promotion Bureau and related public-private organizations including service providers. On behalf of EPB, I would, therefore, express my gratitude to all of them and of course, the valued local and foreign participants and visitors of this event. I hope, all of you would take delight in the mega event, DITF-2013.

I wish DITF-2013 a grand success in attaining its goal of flourishing the trade and commerce of the country.

**Shubhashish Bose**

Courtesy by:

**The Export Leader**

